



Helping New Business Clients Get Started

IRS Nationwide

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Selecting Form of Business

- Most common forms of business:
 - Sole Proprietor
 - Partnership
 - Corporations
- Other forms of business
 - S Corporations
 - Limited Liability Company (LLC)

Employer Identification Number (EIN)

- Must secure if
 - have employees
 - have a qualified retirement plan,
 - operate as corporation, partnership, trust, estate, non-profit organization,or
 - must file and pay excise taxes

Applying for an EIN

- Apply for EIN online at irs.gov
 - Modernized Internet EIN (Mod I-EIN) – EIN Assistant
- Apply by phone – 1-800-829-4933
- Mail or fax a completed Form SS-4

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Payee Identification Numbers

- Must secure SSN for each employee
 - Employees must complete Forms I-9 and W-4
- Other payees must provide valid Taxpayer Identification Number
 - If not provided, may be subject to Backup Withholding

Determine Federal Tax Filing and Payment Requirements

- Income Tax Returns
 - Sole Proprietor Form 1040 with Schedule C, C-EZ, or F, and Schedule SE
 - Corporations - Form 1120 or 1120-A
 - Partnerships (Form 1065) and S-Corp (Form 1120 S)

Determine Federal Tax Filing and Payment Requirements

- Employment Tax Returns - Forms 941, 943, 944, 940
- Excise Tax Returns – Forms 720, 2290, 730, 11-C
- Information Returns – Forms W-2 and W-3, 1099-MISC, 8300

Tax Year, Accounting Method, and Recordkeeping

- Tax year can be Calendar or Fiscal
- Accounting methods
- Records support source and amount of income, and expenses applicable to business
- Record retention based on administration of Internal Revenue Code

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Representing Your Business Clients

- Select the right type of Third Party Authorization
 - Form 2848, Power of Attorney and Declaration of Representative
 - Form 8821, Tax Information Authorization
 - Third-Party Designee (Checkbox) Authority

Properly Complete Form 2848

- Line 3 – Tax Matters: use specific tax periods and type of tax
- Line 6 – Receipt of Refund Checks: if representative authorized to receive, taxpayer must initial
- Part II – include Designation (A-G) and Jurisdiction

Assisting Your Business Clients

- Use e-Services tools
 - e-File
 - Disclosure Authorization (DA)
 - Transcript Delivery System (TDS)
 - Electronic Account Resolution (EAR)
- Practitioner Priority Service (PPS)
Toll-Free 1 (866) 860 - 4259

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Resources

- IRS Publication 3207 (CD ROM) – Small Business Resource Guide
- IRS Publications 15, 15-A, 538, 583, 542, 1518, 1779, 3611, 4019, and 4245
- www.irs.gov
- www.ssa.gov
- Small Business Administration (SBA) and other federal agencies

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